

Decision \_\_\_\_\_

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF  
CALIFORNIA**

Order Instituting Rulemaking to Integrate and  
Refine Procurement Policies and Consider  
Long-Term Procurement Plans.

Rulemaking 12-03-014  
(Filed March 22, 2012)

**DECISION GRANTING COMPENSATION TO THE UTILITY REFORM  
NETWORK FOR SUBSTANTIAL CONTRIBUTION TO DECISION(S)  
(D.) 12-12-010, D.13-02-015, D.14-02-040, D.14-03-004**

<b>Intervenor: The Utility Reform Network (TURN)</b>	<b>For contribution to Decision (D.): 12-12-010, 13-02-015, 14-02-040, 14-03-004</b>
<b>Claimed: \$297,973.29</b>	<b>Awarded: \$269,139.45 (reduced 9.68%)</b>
<b>Assigned Commissioner: Florio</b>	<b>Assigned ALJ: Gamson</b>

**PART I: PROCEDURAL ISSUES**

<b>A. Brief description of Decision:</b>	<p><b>Decision 13-02-015 (Track 1)</b></p> <p>Authorizes Southern California Edison Company (SCE) to procure between 1400 and 1800 Megawatts (MW) of electrical capacity in the West Los Angeles sub-area of the Los Angeles (LA) basin local reliability area and 215-290 MW of the Moorpark sub-area of the Big Creek/Ventura local reliability area. Requires that at least 1,000 MW, but not more than 1200 MW, of the LA basin capacity be procured from conventional gas fired resources, 50 MW from energy storage, and at least 150 MW from preferred resources. Authorizes SCE to procure an additional 600 MW of capacity from preferred and/or energy storage resources. Directs SCE to begin a solicitation process and to actively pursue locally-targeted and cost-effective preferred resources.</p> <p><b>Decision 12-12-010 (Track 2)</b></p> <p>Adopts final Standardized Planning Assumptions and Scenarios for Track 2 of the 2012 Long-Term Procurement Plans. These assumptions will be used for forecasting system reliability needs for California's electricity grid and to determine specific procurement system and bundled need authorizations or requirements for California investor-owned utilities. The California Independent System Operator should use the Standardized Planning Assumptions and Scenarios in this decision to conduct operational flexibility modeling related to renewable integration.</p> <p><b>Decision 14-02-040 (Track 3)</b></p> <p>Adopts changes to long-term procurement planning rules relating to estimating reasonable levels of expected direct access and community choice aggregation departing loads, the definition of incremental capacity eligible to bid into a new generation request for offers, the method for calculating capacity costs for facilities subject to the Cost Allocation Mechanism, and protocols for the selection of Independent Evaluators.</p> <p><b>Decision 14-03-004 (Track 4)</b></p> <p>Authorizes Southern California Edison Company (SCE) to procure between 500 and 700 Megawatts (MW) and San Diego Gas &amp; Electric Company (SDG&amp;E) to procure between 500 and 800 MW by 2022 to meet local capacity</p>
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	needs stemming from the retired San Onofre Nuclear Generation Station (SONGS). Authorizes specific “buckets” of procurement for preferred resources, energy storage and gas-fired resources.
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**B. Intervenor must satisfy intervenor compensation requirements set forth in Pub. Util. Code §§ 1801-1812:**

	<b>Intervenor</b>	<b>CPUC Verified</b>
<b>Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):</b>		
1. Date of Prehearing Conference (PHC):	April 18, 2012	Yes
2. Other specified date for NOI:		
3. Date NOI filed:	May 17, 2012	Yes
4. Was the NOI timely filed?		Yes
<b>Showing of customer or customer-related status (§ 1802(b)):</b>		
5. Based on ALJ ruling issued in proceeding number:	A.12-11-009	Yes
6. Date of ALJ ruling:		
7. Based on another CPUC determination (specify):	January 3, 2012	September 6, 2013
8. Has the Intervenor demonstrated customer or customer-related status?		Yes
<b>Showing of “significant financial hardship” (§ 1802(g)):</b>		
9. Based on ALJ ruling issued in proceeding number:	A.12-11-009	Yes
10. Date of ALJ ruling:	January 3, 2012	September 6, 2013
11. Based on another CPUC determination (specify):		
12. Has the Intervenor demonstrated significant financial hardship?		Yes
<b>Timely request for compensation (§ 1804(c)):</b>		
13. Identify Final Decision:	D.14-03-004	Yes
14. Date of issuance of Final Order or Decision:	March 14, 2014	Yes
15. File date of compensation request:	May 13, 2014	Yes
16. Was the request for compensation timely?		Yes

#	Intervenor's Comment(s)	CPUC Discussion
	Regarding lines 5-7 -- The Commission did not issue a formal ruling on TURN's customer status in R.12-03-014 in response to TURN's Notice of Intent to claim compensation.	TURN's citation to A.12-11-009 does not provide a rebuttable presumption in the present proceeding, as the Ruling was filed on September 06, 2013, which is more than one year before the commencement of this proceeding. However, a ruling in R.11-11-008 finds that TURN has shown significant financial hardship.

## PART II: SUBSTANTIAL CONTRIBUTION

### A. Did the Intervenor substantially contribute to the final decision (*see* § 1802(i), § 1803(a), and D.98-04-059).

Intervenor's Claimed Contribution(s)	Specific References to Intervenor's Claimed Contribution(s)	CPUC Discussion
<p>(1) RENEWABLE INTEGRATION</p> <p>Consistent with TURN's recommendations, the Commission ruled that Renewable Integration needs would not be considered in this proceeding for the purposes of authorizing new procurement by SCE or SDG&amp;E. Any consideration of renewable integration will occur in a future proceeding.</p> <p><b>SEE COMMENT #1</b></p>	<p>TURN Opening Brief, September 24, 2012, pp. 19-20.</p> <p>TURN Reply Brief, October 12, 2012, pp. pp. 4-6.</p> <p>Reply Comments of the Utility Reform Network regarding Post-Workshop Questions, October 23, 2012, pp. 1-2.</p> <p>Woodruff Direct Testimony, June 25, 2012, pp. 17-20.</p> <p>TURN argued against relying upon renewable integration models to require SCE to meet any particular resource flexibility requirement in its procurement.</p> <p>Comments of The Utility Reform Network, September 10, 2013</p> <p>TURN supported delays in considering Renewable Integration System Needs and urged the Commission not to authorize any new procurement specifically to satisfy claimed unmet system integration needs. (page 4)</p>	Yes

	<p>Decision 13-02-015, pages 96-97</p> <p>The Commission rejected proposals to rely on the CAISO studies of renewable integration to justify any specific requirements for SCE procurement. The Decision explains that results from the CAISO modeling include a wide range of potential needs (between 0 MW and 4600 MW) and fail to demonstrate “what exact attributes and blend of flexible versus baseload resources are needed.” (page 97) Based on this analysis, the Commission decided not to require SCE to “take into account any particular flexible attributes in its procurement process”.</p> <p>Assigned Commissioner and Administrative Law Judge’s Ruling Regarding Track 2 and Track 4 Schedules, September 16, 2013, pages 1, 6-7</p> <p>Cancelled Track 2 of proceeding until 2014 LTPP stating “[t]here has been some indication that system flexibility needs may be low or non-existent depending on the level of local capacity procurement authorized in Track 4”. (page 6)</p>	
<p><b>(2) SCE LIVING PILOT</b></p> <p>The Commission directed SCE to take all possible actions to obtain cost-effective demand-side and preferred resources to satisfy local capacity needs. After SCE submitted its “Living Pilot” proposal in response to D.13-02-015, TURN worked with SCE and the Assigned Commissioner to advance the concept. TURN helped to organize, plan and develop the scope of the</p>	<p>TURN Track 4 opening brief, November 25, 2013, page 4.</p> <p>TURN urged the Commission not to authorize “all the needs the utilities and CAISO have postulated in their various testimonies” based on various strategies for procuring preferred resources that can meet local needs including SCE’s Living Pilot.</p> <p>D.14-03-004</p>	Yes

<p>November 6, 2013 CPUC symposium on SCE's Living Pilot proposal which was explicitly deemed eligible for intervenor compensation in the symposium notice.</p> <p><b>SEE COMMENT #2</b></p>	<p>The Commission found that "SCE's Living Pilot is a promising concept" (Finding of Fact 56), referenced the November 6, 2013 symposium held to discuss this concept (footnote 149), and noted that it would be "unreasonable to assume" that no resources related to the Living Pilot and other preferred resource initiatives would be able to meet local reliability needs relating to SONGS by 2022. (page 70)</p> <p>D.13-02-015</p> <p>The Commission directed SCE to take all possible actions "to obtain cost-effective demand-side resources which can reduce the LCR need, and cost-effective preferred resources and energy storage resources to meet LCR needs." (page 78). SCE subsequently proposed a Living Pilot to implement this requirement.</p>	
<p><b>(3) TRACK 1 / LOCAL CAPACITY REQUIREMENT NEEDS</b></p> <p>The Commission authorized SCE to procure between 50-75% of the quantities the utility proposed. While SCE asked for authority to procure up to 2370 MW (or 3741 MW depending upon the specific location), the Commission approved a need of between 1,400 and 1,800 Megawatts (MW) of electrical capacity in the West Los Angeles sub-area of the Los Angeles (LA) basin local reliability area to meet long-term local capacity requirements. This outcome is consistent with TURN's</p>	<p>TURN Opening Brief, September 24, 2012, pp. 1, 4-10, 13</p> <p>TURN Reply Brief, October 12, 2012, pp. 2-3.</p> <p>TURN Reply Comments on PD, January 22, 2013, pp. 1-4</p> <p>TURN recommended that the Commission authorize, in Track 1, procurement sufficient to satisfy 2/3 of the Local Capacity Requirement (LCR) amounts sought by the CAISO, after adjusting the CAISO analyses to include 50 percent of long-term target or program goal for preferred resources.</p> <p>D.13-02-015, pages 1, 62-68, 82,</p>	<p>Yes. The Commission notes that page 1 of D.13-02-015 is incorrectly cited as containing information regarding Track 1 issues.</p>

<p>recommendation that the Commission authorize procurement sufficient to satisfy 2/3 of the CAISO targets.</p>	<p>118, Conclusion of Law 1.</p> <p>The Commission authorized Southern California Edison Company (SCE) to procure between 1,400 and 1,800 Megawatts (MW) of electrical capacity in the West Los Angeles sub-area of the Los Angeles (LA) basin local reliability area to meet long-term local capacity requirements (LCRs) by 2021.</p>	
<p><b>(4) TRACK 1 / PROCUREMENT PROCESS</b></p> <p>TURN urged the Commission to ensure that any preferred resource procurement will meet the technical requirements to count towards Local Capacity Requirements. The Commission directed SCE to work with the CAISO to develop requirements and performance characteristics in advance of any procurement.</p>	<p>TURN Comments on PD, January 14, 2013, page 2</p> <p>TURN agreed that preferred resources should have ability to compete to meet local need.</p> <p>TURN Track 1 opening brief, September 24, 2012</p> <p>TURN urged the Commission to ensure that there are clear criteria for determining the ability of preferred resources to comply with, and count towards, Resource Adequacy (RA) requirements. TURN also urged the Commission to require that any RFO used to satisfy identified procurement needs should identify the performance characteristics needed to be eligible to count as local RA.</p> <p>D.13-02-015</p> <p>The Commission agreed that the ISO may not recognize the LCR value of preferred resources unless the SCE and ISO develop requirements and performance characteristics in advance of any procurement process. The Decision directs SCE to consult with the ISO on these issues and document how any upcoming procurement process takes into account these concerns. (pages 74-75)</p> <p>The Decision explicitly directs SCE to “undertake technical studies to</p>	<p>Yes; but we note that TURN put forth arguments that were duplicative of other parties on this issue. This demonstrates that these parties failed to adequately coordinate on the Procurement Process issue, resulting in duplicitous efforts.<sup>1</sup></p>

<sup>1</sup> 2015 Cal. PUC LEXIS 264 (Cal. PUC 2015).

	<p>integrate certain preferred resources (including energy storage resources) so that they meet local reliability needs, and to work with the ISO to assess the impacts of such resources to meet or reduce LCR needs.” (Finding of Fact 43)</p>	
<p><b>(5) TRACK 1 / PROCUREMENT PROCESS</b></p> <p>The Commission agreed with TURN that SCE should submit a plan for Commission review prior to commencing any authorized procurement and file all executed contracts together in an application.</p>	<p>TURN Opening Brief, September 24, 2012, pages 16-19.</p> <p>Woodruff Direct Testimony, June 25, 2012, pages 2, 21-22.</p> <p>Woodruff Reply Testimony, July 23, 2012, page 16</p> <p>TURN urged the Commission to recognize that SCE is the only entity capable of conducting the needed procurement, that SCE should be directed to report to the Commission on its framework to evaluate options for meeting LCR needs, that the Commission should approve any plan prior to SCE commencing procurement, and that SCE should then solicit and assemble a portfolio of resources to be submitted for approval through an application.</p> <p>D.13-02-015, pages 89-92 Directed SCE to submit its procurement plan for all required and authorized resources in the LA Basin and Big Creek/Ventura areas for review by Commission staff. Prohibits SCE from beginning any solicitation process until Energy Division determines in writing that SCE has complied with the provisions of this Decision. Also states that separate Energy Division approvals are needed for the procurement plan and any request for offers.</p>	<p>Yes</p>



<p><b>(6) TRACK 1 / PROCUREMENT PROCESS</b></p> <p>The Commission agreed with TURN that SCE should include a “circuit breaker” in the event that any the procurement of energy storage would result in unreasonable and excessive costs.</p>	<p>TURN Opening Brief, September 24, 2012, pages 17-18.</p> <p>Woodruff Direct Testimony, June 25, 2012, pages 3, 22</p> <p>TURN Comments on PD, January 14, 2013, pages 3-4</p> <p>TURN suggested a “circuit breaker” be included in SCE procurement process to allow procurement of smaller amounts of MW in case of price bids and specifically urged the Commission to include a circuit breaker for storage resources.</p> <p>D.13-02-015, pages 88-89</p> <p>“TURN recommends allowing SCE to “invoke a price circuit-breaker for storage procurement if storage providers cannot provide resources that help meet local reliability at a reasonable price.” We agree.”</p>	<p>Yes</p>
<p><b>(7) TRACK 1 / PROCUREMENT PROCESS</b></p> <p>The Commission agreed with TURN and SCE that it is reasonable to use both competitive solicitations and cost-of-service contracts authorized under §454.6. The Commission directed SCE to retain cost-of-service contracts as an option where there is significant market power that would be detrimental to ratepayers.</p>	<p>TURN Opening Brief, September 24, 2012, pages 16-19.</p> <p>Woodruff Direct Testimony, June 25, 2012, pages 3, 22</p> <p>Woodruff Reply Testimony, July 23, 2012, pages 16-17</p> <p>TURN suggested SCE should be rely on competitive solicitations unless the presence of extreme market power in certain sub-areas makes it difficult to conduct a competitive solicitation. In such situations, TURN urged SCE to consider offering cost-of-service contracts pursuant to §454.6 to uniquely situated resources especially for the purpose of repowering existing OTC units.</p> <p>D.13-02-015, page 86</p> <p>“It is reasonable to authorize SCE to</p>	<p>Yes; however TURN put forth arguments that were duplicative of other parties on this issue.</p>

	<p>use either or both RFOs and cost-of-service contracts in its LCR procurement process. Both methods are intended to fill the LCR needs identified in this order, and to do so consistent with the Loading Order and cost minimization. We agree with SCE and other parties that cost-of-service contracts (also called bilateral contracts) are allowed under § 454.6 under specified circumstances which are likely to result in a procurement process as a result of this decision. Therefore, § 454.6 cost-of-service contracts are an option that SCE will be able to use in situations where there is significant market power that would be detrimental to ratepayers.”</p>	
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<p><b>(8) TRACK 1 / COST ALLOCATION MECHANISM</b></p> <p>The Commission agreed with TURN in declining to revisit the Cost Allocation Mechanism (CAM), rejecting the proposals to allow other Load Serving Entities to “opt-out”, and holding that the costs of resources procured to satisfy the authorizations in the Track 1 decision would be allocated pursuant to the CAM.</p>	<p>TURN Opening Brief, September 24, 2012, pages 20-24.</p> <p>TURN Reply Brief, October 12, 2012, pages 6-8.</p> <p>Woodruff Direct Testimony, June 25, 2012, pages 2-3, 23-24.</p> <p>Woodruff Reply Testimony, July 23, 2012, pages 3-6, 8-13</p> <p>TURN strongly opposed efforts to make significant changes to CAM including proposals by Direct Access (DA) providers and CCAs to cap CAM costs, to levelize the CAM charge, or to allow an opt-out for any Load-Serving Entity on the terms suggested in this rulemaking.</p> <p>TURN argued that since the new resources that may be authorized in this proceeding are explicitly intended to meet local area reliability needs on behalf of all customers, the Commission should presume that the costs of any new LCR resource commitments satisfy the statutory test and should be allocated to the customers of any load-serving entity operating in the service territory of the incumbent IOU.</p> <p>D.13-02-015</p> <p>The Decision finds that the costs of new procurement to meet local reliability should be allocated pursuant to the CAM (pages 106-107), rejects all proposals that would modify the CAM (pages 107-110), and declines to authorize the opt-out proposal (page 112).</p>	<p>Yes</p>
<p><b>(9) TRACK 1</b></p>	<p>TURN Opening Brief, September 24, 2012, pages 26-27.</p>	<p>Yes</p>

<p>The Commission agreed with TURN and rejected SCE's request to file a separate application to adjust its capital structure to take into account debt equivalence issues arising from additional PPAs.</p>	<p>TURN Reply Brief, October 12, 2012, pages 8-9.</p> <p>TURN opposed SCE's request to allow it to file an application to adjust its capital structure to reflect the impact of debt equivalence created by new long-term contracts. TURN urged the Commission to reaffirm the policy in D.09-06-018 rejecting explicit and automatic capital structure adjustments tied to debt equivalence.</p> <p>D.13-02-015</p> <p>"We will not change our policy from D.09-06-018 and previous decisions. SCE should use its next COC application, or other venue for consideration of COC, to seek any changes it considers appropriate due to debt equivalence for the contracts foreseen from today's decision."</p> <p>(page 116)</p>	
<p><b>(10) TRACK 2 / PLANNING ASSUMPTION</b></p> <p>The Commission agreed with TURN and rejected the CAISO proposal to discount Energy Efficiency and Demand Response resources in scenarios and adopt more conservative planning assumptions in general.</p>	<p>Standardized Planning Scenarios, October 10, 2012</p> <p>TURN recommended the Commission not afford any "high need" scenario "more equal" status by giving it a presumptive label such as "operational reference case" and that uncommitted EE and DR resources should be considered for planning purposes. (page 1)</p> <p>Reply Comments of The Utility Reform Network on the Proposed Decision of ALJ Gamson Adopting Track 2</p> <p>Standardized Planning Assumptions and Scenarios, December 17, 2012</p> <p>TURN recommended the Commission maintain traditional planning assumptions and not, as the CAISO</p>	<p>Yes. TURN's reply comments were filed on October 19, 2012.</p>

	<p>seemed to want, “shift to resource planning based on a scenario featuring multiple conservative assumptions”. (pages 1-2)</p> <p>D.12-12-010 (Track 2 Assumptions)</p> <p>D.12-12-010 did not agree with the CAISO’s request to change its construction and labeling of the planning assumptions listed in the PD or ACR to a more conservative basis.</p>	
<p><b>(11) TRACK 2 / PLANNING ASSUMPTIONS</b></p> <p>The Commission agreed with TURN and did not accept PG&amp;E’s request to reduce the amount of imports to be assumed for purposes of modeling need.</p>	<p>Reply Comments of The Utility Reform Network on the Proposed Decision of ALJ Gamson Adopting Track 2 Standardized Planning Assumptions and Scenarios, December 17, 2012</p> <p>TURN recommended the Commission maintain its original assumption, noting that any concerns over out-of-state resource availability would be addressed in modeling. (page 3)</p> <p>D.12-12-010 (Track 2 Assumptions) “Imports shall be based on the CAISO Available Import Capability for loads in their control area. This is equal to the CAISO Maximum Imports minus Existing Transmission Contracts (ETCs) outside their control area.” (Attachment A, page 27).</p>	Yes
<p><b>12) TRACK 3</b></p> <p>The Commission agreed with TURN that greater public release of aggregated IOU procurement data would benefit the public, the market</p>	<p>TURN’s Opening Comments on Track III Rules Issues, April 26, 2013, pages 3-4.</p> <p>TURN’s Reply Comments on Track III Rules Issues, May 10, 2013, pages 3-4.</p>	Yes, although some duplication occurred with other parties.

<p>and the ability of the CAISO to assess the risk of retirement for existing generating units.</p>	<p>TURN's Opening Comments on Track III PD, February 18, 2014, pages 2-3.</p> <p>TURN's Reply Comments on Track III PD, February 24, 2014, pages 1-2.</p> <p>TURN urged the Commission to provide greater public release of aggregated procurement data for the IOUs and other Load-Serving Entities to help inform public assessments of market conditions and to assist the CAISO in determining the extent of intermediate-term contracts with existing resources.</p> <p>D.14-02-040, pages 23-24 The Commission agreed that "The market will benefit from greater reporting of procurement activity, particularly in the forward time frame where it is currently less open to the public." The Commission noted that "the CAISO will also benefit from greater reporting of procurement information" in order to "plan around which generating resources will be available to them and how those resources might operate." To effectuate this goal, the Decision explains "we intend to promote greater reporting of the information that the Commission regularly collects from the utilities, either as aggregate or in specific when advisable."</p>	
<p><b>(13) TRACK 3</b></p> <p>The Commission declined to establish new minimum or maximum procurement levels for the IOUs.</p>	<p>TURN's Opening Comments on Track III Rules Issues, April 26, 2013, pages 2-3.</p> <p>TURN's Opening Comments on Track III PD, February 18, 2014, page 4.</p>	<p>Yes</p>

	<p>TURN opposed making any changes at this time to IOUs' minimum or maximum procurement levels because any such limits could increase IOU costs for serving bundled customers.</p> <p>D.14-02-040, pages 10-13</p> <p>The Commission declined to establish new minimum or maximum procurement levels for bundled procurement plans. The Decision states that "we agree with TURN that additional minimum procurement requirements for any particular electric product or service could increase ratepayer costs. At this time, we see no corresponding or overriding benefit to further minimum procurement requirements." (page 13) that "we agree with TURN that additional minimum procurement requirements for any particular electric product or service could increase ratepayer costs. At this time, we see no corresponding or overriding benefit to further minimum procurement requirements." (page 13)</p>	
<p><b>14) TRACK 3</b></p> <p>The Commission clarified that upgraded and repowered plants should be allowed to bid into long-term RFOs for new generating capacity.</p>	<p>TURN's Opening Comments on Track III Rules Issues, April 26, 2013, page 5.</p> <p>TURN's Reply Comments on Track III Rules Issues, May 10, 2013, page 5.</p> <p>TURN's Opening Comments on Track III PD, February 18, 2014, page 5.</p> <p>TURN supported allowing incremental capacity from plant upgrades to bid into solicitations as new capacity.</p>	<p>Yes, although some duplication occurred with other parties.</p>

	<p>D.14-02-040</p> <p>“We hereby clarify that upgraded and repowered plants are allowed to bid in new generation RFOs” (pages 28-29).</p>	
<p><b>(15) TRACK 3 / APPLICATION FOR REHEARING OF D.14-02-040</b></p> <p>TURN opposed the application for rehearing of D.14-02-040 filed by Sierra Club California</p>	<p>TURN response to Sierra Club California Application for rehearing of D.14-02-040, April 18, 2014</p> <p>TURN argued that the Bagley-Keene act does not apply to the Procurement Review Groups of the three IOUs. TURN noted that the each PRG does not operate as a “state body”, that PRG meetings do not result in any “actions taken” that can be subject to legal challenge, and that the Commission has not delegated any authority to these advisory groups.</p> <p>At the time of the filing of this request, the Commission had not issued a decision on the Application for Rehearing. TURN expects a decision on the application for rehearing to be issued prior to the issuance of a decision on this compensation request. Rather than submitting a separate compensation request for the very small number of hours associated with this issue, TURN believes that it is more efficient to consolidate these hours into this request.</p>	<p>Yes, the Commission denied the rehearing request on December 18, 2014.</p>
<p><b>(16) TRACK 4 / LOCAL CAPACITY REQUIREMENT NEEDS</b></p> <p>Consistent with TURN’s overall recommendations, the Commission authorized SCE and SDG&amp;E to procure 500 to 700 (for SCE) or 800 (for SDG&amp;E) MW of new resources to meet local reliability needs.</p>	<p>Woodruff Prepared Testimony, September 30, 2013, pages 8-9.</p> <p>TURN Opening Brief, November 25, 2013, pages 1-2 and 4-5.</p> <p>TURN Reply Brief, December 16, 2013, pages 1-2.</p> <p>TURN Comments on Proposed Decision, March 3, 2014, pp. 1-2.</p>	<p>Yes, although some duplication with other parties occurred.</p>



	<p>TURN supported SCE's and SDG&amp;E's requests to procure 500 MW of capacity based on the need to take some actions to meet local needs while avoiding rash actions that could lead to over- procurement, but endorsed Proposed Decision's findings as reasonable. TURN noted that a "large procurement effort could overwhelm future need analyses and other transmission or resource development efforts; the result could be that SCE and SDG&amp;E meet a need figure that is too high and/or meet such needs with only gas-fired generation." (Reply brief, page 2).</p> <p>D.14-04-003, pages 83-85</p> <p>The Commission authorized SCE to procure between 500 and 700 MW and SDG&amp;E to procure between 500 and 800 MW. The Commission relied upon TURN's recommendation (along with those of other parties) in finding that "this range is consistent with the recommendations of many parties and is near the center of the overall zone of reasonableness." The Commission noted that this authorization was less than "the full amounts needed to meet the LCR needs" with a significant amount of additional procurement to come from alternative resources. In keeping with TURN's concerns over excessive procurement, the Commission explained that "This range provides greater ratepayer protection against over procurement and simultaneously reduces the likelihood of any reliability impacts from under procurement."</p>	
<b>(17) TRACK 4 / LOCAL CAPACITY</b>	Woodruff Prepared Testimony, September 30, 2013, pages 2-3 and	Yes

<p><b>REQUIREMENT NEED DETERMINATIONS</b></p> <p>The Commission explicitly decided not to authorize procurement based on a need to mitigate the ‘N-1-1’ contingency advocated by the CAISO.</p>	<p>12-27.</p> <p>TURN Opening Brief, November 25, 2013, pages 2-3 and 5-17.</p> <p>TURN Reply Brief, December 16, 2013, pages 3-9.</p> <p>TURN Reply Comments on Proposed Decision, March 10, 2014, p. 1.</p> <p>TURN argued Commission should not authorize procurement needed to comply with ‘N-1-1’ contingency at this time due to unknown cost-effectiveness of such investments. TURN provided analysis showing range of potential benefits, costs and probability of occurrence of N-1-1 contingency.</p> <p>D.14-04-003, pages 45, 68</p> <p>The Commission agreed that authorizing procurement based on a need to mitigate the ‘N-1-1’ contingency would not be cost effective. The Commission found that “it is not reasonable at this time to authorize utilities to procure – and ratepayers to pay the cost of -- the additional resources required to fully mitigate the identified N-1-1 contingency without an SPS.” (page 45) The Decision notes that this determination means that “it is reasonable at this time to authorize procurement of at least 588 MW fewer resources than would be necessary to achieve the ISO’s current reliability objective, with the understanding that actual</p>	
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	load shedding would be a very remote possibility and that the ISO has the authority to continue the current SPS in the San Diego area.” (page 68)	
<p><b>18) TRACK 4 / COST ALLOCATION MECHANISM</b></p> <p>The Commission determined that the benefits and costs of new resources will be allocated pursuant to the Cost Allocation Mechanism.</p>	<p>Woodruff Rebuttal Testimony, October 14, 2013, pages 1-17.</p> <p>TURN Opening Brief, November 25, 2013, pages 18-21.</p> <p>TURN Reply Brief, December 16, 2013, pages 9-11.</p> <p>TURN Reply Comments on Proposed Decision, March 10, 2014, pp. 1-3.</p> <p>TURN argued that, as a matter of law and policy, the benefits and costs of the resources SCE and SDG&amp;E will procure pursuant to the decision’s authorization should be allocated to all customers via the Cost Allocation Mechanism.</p> <p>D.14-04-003, pages 4, 120</p> <p>The Commission agreed that the costs of all resources authorized in the Track 4 decision should be included in the Cost Allocation Mechanism (CAM). The Decision rejects arguments by ReM/DACC and finds that “the procurement authorized in this decision is for the purpose of ensuring local reliability in the SONGS service area, for the benefit of all utility distribution customers in that area. We conclude that such procurement meets the criteria of Section</p>	Yes

	365.1(c)(2)(A)-(B). Therefore, SCE and SDG&E shall allocate costs incurred as a result of procurement authorized in this decision, and approved by the Commission.” (page 120)	
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**B. Duplication of Effort (§ 1801.3(f) and § 1802.5):**

	<b>Intervenor's Assertion</b>	<b>CPUC Discussion</b>
<b>a. Was the Office of Ratepayer Advocates (ORA) a party to the proceeding?<sup>2</sup></b>	Yes	Yes
<b>b. Were there other parties to the proceeding with positions similar to yours?</b>	Yes	Yes
<b>c. If so, provide name of other parties:</b> Natural Resources Defense Council, Sierra Club, Protect Our Communities, Vote Solar, Clean Coalition, California Environmental Justice Alliance, Women's Energy Matters.		Yes
<b>d. Intervenor's claim of non-duplication:</b> TURN coordinated with other intervenors throughout the proceeding as appropriate. To the extent that certain issues were the primary focus of work by other intervenors, such as the role of energy efficiency and preferred resources in the determination of LCR needs, TURN relied upon the work by these other intervenors and devoted substantially fewer hours to those topics than would have been the case but for the participation of these other parties.  TURN made significant unique investments of time in renewable integration, preparation for the living pilot symposium, review of LCR needs, procurement practices and rules, and opposition to changes in the Cost Allocation Mechanism. In each of these areas, TURN presented a unique (and in some cases the only) viewpoint and did not duplicate the work performed by other parties. For renewable integration work, other intervenors indicated that they would rely upon TURN's involvement since the technical modeling issues were extremely complex.  As a result, the record of the proceeding reveals little direct duplication between the work of TURN and other intervenors. To the extent that duplication occurred, it was unavoidable due to the large number of parties in the case and a need to ensure that TURN presented a comprehensive position on each of the issues it addressed.		Yes

<sup>2</sup> The Division of Ratepayer Advocates was renamed the Office of Ratepayer Advocates effective September 26, 2013, pursuant to Senate Bill No. 96 (Budget Act of 2013: public resources), which was approved by the Governor on September 26, 2013.

**C. Additional Comments on Part II:**

#	Intervenor's Comment	CPUC Discussion										
	<p><b>RENEWABLE INTEGRATION</b></p> <p>TURN devoted substantial time to reviewing the renewable integration modeling developed by the CAISO, SCE and PG&amp;E. These models were to be used in developing estimates of capacity needs that could be satisfied through new procurement.</p> <p>The May 17, 2012 scoping ruling explicitly identified this general issue as a key focus of work for all parties (page 5).</p> <p>For several years, the Commission and other key parties have devoted considerable effort to developing methods for assessing potential additional resources and other system changes needed to integrate renewable generation. Those efforts began well before R.12-03-014 was issued and are continuing in R.13-12-010. TURN expert Woodruff participated in the efforts made during the pendency of R.12-03-014. Much of this effort involved preparing for and participating in the following workshops, meetings and conference calls on the topic with ED and modeling sponsors. All the events listed below prior to September 16, 2013, were reasonably expected to relate consideration of renewable integration issues in Track 2. As to the other meetings:</p> <ul style="list-style-type: none"><li>• The September 18, 2013 workshop sponsored by Energy Division had been scheduled before September 16, 2013.</li><li>• The CAISO scheduled the December 9, 2013 call to review their Track 2 efforts.</li><li>• The meetings PG&amp;E sponsored in January 2014 developed the renewable integration modeling report that has been admitted to the record in R.13-12-010.</li></ul> <table><tr><th>Sponsor/ Type of Meeting/ Number</th><th>DATE</th></tr><tr><td>CAISO Conference Call (9)</td><td>5/9/12; 9/10/12; 12/13/12; 2/21/13; 4/1/13; 5/22/13 (with E3); 6/18/13; 7/24/13; 12/9/13 (with E3)</td></tr><tr><td>Energy Division Workshop (7)</td><td>5/23/12 (call to prepare for 6/4/12); 6/4/12; 9/19/12; 4/24/13; 5/10/13; 8/26/13</td></tr><tr><td>SCE Conference Call (3)</td><td>3/8/13; 5/8/13; 9/12/13</td></tr><tr><td>PG&amp;E (2)</td><td>1/9/14 (meeting); 1/29/14 (conference)</td></tr></table>	Sponsor/ Type of Meeting/ Number	DATE	CAISO Conference Call (9)	5/9/12; 9/10/12; 12/13/12; 2/21/13; 4/1/13; 5/22/13 (with E3); 6/18/13; 7/24/13; 12/9/13 (with E3)	Energy Division Workshop (7)	5/23/12 (call to prepare for 6/4/12); 6/4/12; 9/19/12; 4/24/13; 5/10/13; 8/26/13	SCE Conference Call (3)	3/8/13; 5/8/13; 9/12/13	PG&E (2)	1/9/14 (meeting); 1/29/14 (conference)	Accepted.
Sponsor/ Type of Meeting/ Number	DATE											
CAISO Conference Call (9)	5/9/12; 9/10/12; 12/13/12; 2/21/13; 4/1/13; 5/22/13 (with E3); 6/18/13; 7/24/13; 12/9/13 (with E3)											
Energy Division Workshop (7)	5/23/12 (call to prepare for 6/4/12); 6/4/12; 9/19/12; 4/24/13; 5/10/13; 8/26/13											
SCE Conference Call (3)	3/8/13; 5/8/13; 9/12/13											
PG&E (2)	1/9/14 (meeting); 1/29/14 (conference)											

	California Energy Commission Workshop (1)	6/11/12		
	Mr. Woodruff also provided written comments to various parties, including several in relation to some of the above meetings, including:			
	<b>SPONSOR</b>	<b>DATE</b> (in response to date)		
	CAISO	2/22/13 (2/21/13) ; 5/23/13 (5/22/13)		
	Energy Division	5/21/12 (for 5/23/12 call & 6/4/12 meeting); 12/16/12		
	SCE	3/17/13 (3/8/13)		
	PG&E	1/24/14 (1/9/14)		
	Mr. Woodruff also discussed renewable integration issues with staff from the above parties and a CAISO modeling vendor (E3).			
	In a September 16, 2013 ruling, the Assigned Commissioner canceled further consideration of renewable integration in Track 2 and determined that any future decision addressing system needs related to renewable integration would occur in the next LTPP. As a result, the Commission did not issue a Track 2 formal decision addressing the reasonableness of renewable integration modeling by the CAISO, PG&E and SCE.			
	The Commission has previously awarded TURN compensation for work performed in a proceeding where there is no final resolution of some or all of the issues on which TURN participated. In D.13-08-021 (R.10-05-006), the Commission awarded TURN full compensation for 367.75 hours of work on renewable integration in the 2010 LTPP despite the fact that there was no explicit resolution of renewable integration modeling issues in that proceeding. In that case, as is true in this proceeding, TURN's involvement included extensive participation in CAISO and CPUC workshops and detailed review of the modeling assumptions and inputs used by the CAISO and PG&E.			
	Given the duration of time associated with the consideration of renewable integration modeling, the Commission should grant compensation for TURN's work on this subject during the course of R.12-03-014 rather than waiting until the conclusion of the next LTPP case. TURN participated in good faith based on the reasonable expectation that these models would be subject to extensive litigation in R.12-03-014. TURN has been the leading consumer representative involved in renewable integration modeling issues for many years and devoted the appropriate amount of effort to this task.			
	The fact that the Commission decided not to complete its consideration of this			

	<p>issue in this proceeding should not serve as the basis for denying TURN any compensation for work on this topic. Nor should the Commission delay compensating TURN for its substantial efforts relating to renewable integration modeling.</p>	
	<p><b>SCE LIVING PILOT SYMPOSIUM</b></p> <p>The Commission should find that TURN’s participation in activities leading up to, and immediately following, the Living Pilot Symposium constitutes a substantial contribution. In D.13-02-015, the Commission explicitly directed SCE to pursue cost-effective demand-side resources, preferred resources and energy storage resources to reduce LCR needs. In response to this requirement, SCE proposed a “living pilot” program that was the subject of a November 6, 2013 Commission symposium (<a href="http://www.cpuc.ca.gov/PUC/131106_DefiningTheLivingProject.htm">http://www.cpuc.ca.gov/PUC/131106_DefiningTheLivingProject.htm</a>).</p> <p>TURN was contacted by the Assigned Commissioner’s office to participate in the development of the November 6 symposium. TURN consultant Cynthia Mitchell worked closely with the Assigned Commissioner’s office and with SCE to provide ongoing support, guidance and advice to the Commissioner’s office regarding the appropriate scope of work for the symposium. Ms. Mitchell’s engagement involved the shaping of the agenda, the execution of the event itself, and significant follow-up activities.</p> <p>The Commission notice announcing the November 6 Symposium explicitly stated that “intervenor compensation is available for participation.” The Commission subsequently found that the Symposium made a valuable contribution to its understanding of the opportunity to rely on preferred resources to meet LCR needs. In D.14-03-004, the Commission found that “SCE’s Living Pilot is a promising concept” (Finding of Fact 56), referenced the November 6, 2013 symposium held to discuss this concept (footnote 149), and noted that it would be “unreasonable to assume” that no resources related to the Living Pilot and other preferred resource initiatives would be able to meet local reliability needs relating to SONGS by 2022. (page 70)</p> <p>The Commission has routinely awarded compensation for work of this type by intervenors. In D.11-06-012, the Commission awarded compensation for post-decision implementation work on energy efficiency program design including participation in workshops. In D.12-02-012, the Commission awarded compensation to TURN for informal work relating to implementation plans and the development of a pilot program. TURN submits that the work performed by Ms. Mitchell to assist the Commission in the preparation of this symposium (including post- Symposium follow-up) is fully eligible for compensation. Given the fact that the symposium itself was deemed eligible for intervenor compensation, the central role played by Mr.</p>	<p>Accepted.</p>

	Mitchell in the development of the symposium, and the endorsement in D.14-03-004 as to the usefulness of the symposium, this work should be found to make a substantial contribution.	
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### PART III: REASONABLENESS OF REQUESTED COMPENSATION

#### A. General Claim of Reasonableness (§ 1801 and § 1806):

a. Intervenor's claim of cost reasonableness:	CPUC Discussion
<p>As demonstrated in the substantial contribution section, TURN's participation had a very sizable impact on the outcome of each individual decision and the entire proceeding. Although the exact benefits can be difficult to quantify in a policy proceeding, the sum total of these contributions resulted in significant savings to ratepayers as a whole, and to the ratepayers taking bundled service from the three IOUs.</p> <p>There are several contributions that should yield tangible savings for ratepayers. They include:</p> <ul style="list-style-type: none"> <li>• Contributions to the SCE Living Pilot proposal intended to allow cost-effective preferred resources to meet Local Capacity needs at lower cost than conventional alternatives.</li> <li>• Limiting the procurement authorization in Track 1 to ensure that SCE does not overprocure and burden its customers with unreasonable and unnecessary costs.</li> <li>• Successfully proposing the adoption of a 'circuit breaker' in the event that the procurement of energy storage would result in unreasonable and excessive costs for ratepayers.</li> <li>• Defeating efforts to weaken the Cost Allocation Mechanism and ensuring that the cost of all local resources procured pursuant to Tracks 1 and 4 will be allocated to all customers rather than just bundled service customers.</li> <li>• Preventing SCE from being authorized to seek specific adjustments to its capital structure based on the procurement authorized in Track 1. Such adjustments would have the effect of raising SCE's overall cost of capital.</li> <li>• Promoting reasonable planning and scenario assumptions that will minimize the cost of potential overprocurement by the utilities.</li> <li>• Successfully arguing against the need to mitigate the N-1-1 contingency in determining local resource need, thereby reducing the amount of resources authorized for procurement and lowering total customer costs.</li> </ul> <p>Taken together, TURN's contributions led to substantial ratepayer savings through the avoidance of expenditures that may otherwise have been authorized and promoted strategies for meeting customer needs at least cost.</p>	<p>Verified.</p>



<p><b>b. Reasonableness of hours claimed:</b></p> <p>Given the breadth and depth of TURN's contributions to the four Decisions and one Resolution, the amount of time devoted by staff and consultants is fully reasonable. In considering the reasonableness of the request, the Commission should be mindful of the large number of workshops, ALJ rulings requesting specific comments, and complicated analysis sought by the Commission itself. Moreover, this proceeding involved two sets of evidentiary hearings (Track 1 and 4) and review of substantial amounts of materials from the CAISO. In order to effectively participate, TURN was obligated to devote substantial resources to the proceeding. The time devoted to each task was reasonable in light of the complexity of the issues presented.</p> <p><u>Reasonableness of Staffing</u></p> <p>TURN's attorneys each focused on unique issues and engaged in a minimum of duplication. Matthew Freedman was the lead attorney handling the bulk of the work in the proceeding. Nina Suetake provided backup assistance to Mr. Freedman in 2012 during Track 1 including serving as the lead attorney at a Prehearing Conference when Mr. Freedman was unavailable. Hayley Goodson provided a few hours of assistance on energy efficiency issues. Tom Long, TURN's legal director, provided oversight as needed throughout the proceeding, participated in Prehearing Conferences and status conferences when Mr. Freedman was unavailable, and took a leading role in overseeing the Track 4 briefing in lieu of Mr. Freedman. Marcel Hawiger took primary responsibility for TURN's legal work on Track 3 issues.</p> <p>TURN's consultants each addressed unique issues with Kevin Woodruff handling the bulk of the factual and policy arguments. Kevin Woodruff devoted a large number of hours to monitoring the CAISO renewable integration modeling effort, prepared written testimony in Tracks 1 and 4, provided initial drafts of comments in Tracks 2 and 3, drafted a large number of informal comments on renewable integration issues, presented at a CPUC-sponsored workshop in Los Angeles, and was TURN's witness in evidentiary hearings. Mr. Woodruff served as the primary reviewer for the pleadings, testimony, briefs, and comments submitted by other active parties. Given the large number of active parties, the wide range of issues, and the sheer number of activities required to effectively participate over the course of this multi-year proceeding, Mr. Woodruff's work was fully reasonable. Moreover, his efforts significantly reduced the number of hours required by TURN's attorneys (all of whom have higher approved hourly rates) and thereby minimized the overall compensation requested by TURN.</p> <p>Cynthia Mitchell was retained solely to evaluate energy efficiency assumptions and to provide assistance with the SCE Living Pilot symposium. Ms. Mitchell has previously provided TURN with expert advice and testimony in an array of Energy Efficiency proceedings. Bill Marcus provided a few hours of work to assist Kevin Woodruff with cost allocation issues.</p>	<p>Verified, but see CPUC Disallowances and Adjustments, below.</p>
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<p>The Commission should find that the number of hours claimed is fully reasonable in light of the complexity of the issues and TURN's relative success on the merits.</p> <p><u>Costs not requested</u></p> <p>Consistent with the guidance provided by the Commission, TURN has omitted a significant number of hours and expenses associated with travel by Kevin Woodruff from Sacramento to San Francisco to attend CPUC workshops and evidentiary hearings. Mr. Woodruff devoted over 40 hours to travel for these activities, none of which are included in this request.</p> <p><u>Compensation Request</u></p> <p>TURN's request also includes 25 hours devoted to the preparation of this request for compensation. This figure is somewhat higher than the number of hours we customarily devote to requests for compensation. However, preparing this request was particularly time consuming as it covers work over three calendar years, four Commission decisions, numerous formal pleadings filed by TURN, several rounds of testimony in two different tracks, and the review of copious time-keeping records detailing nearly 1100 hours of work by five TURN attorneys and three expert consultants. TURN has previously been awarded a comparable number of hours for compensation requests in cases of this magnitude (for example, see D.14-02-037 in R.12-01-005).</p>	
<p><b>c. Allocation of hours by issue:</b></p> <p>TURN has allocated all of our attorney and consultant time by issue area or activity, as evident on our attached timesheets. The following codes relate to specific substantive issue and activity areas addressed by TURN. TURN also provides an approximate breakdown of the number of hours spent on each task and the percentage of total hours devoted to each category.</p> <p><b>GP – 29.75 hours – 3% of total</b></p> <p>General Participation work essential to participation that typically spans multiple issues and/or would not vary with the number of issues that TURN addresses. This can include reading the initial application, Commission rulings, attendance at all-party meetings, review of NonDisclosure Agreements, reviewing responses to data requests submitted by other parties, participation in hearings that are not specific to one topic, and reviewing pleadings submitted by other parties.</p> <p><b>EH – 182.75 hours – 17% of total</b></p> <p>All tasks related to participation in Evidentiary Hearings and Prehearing Conferences including preparing cross-examination, attending hearings, and reviewing transcripts. Since these hours do not vary significantly based on the number of issues addressed, they are shown as a separate category.</p> <p><b>RenInt – 100.25 hours – 9% of total</b></p> <p>Work relating to Renewable Integration modeling as described in Section</p>	<p>Verified. As discussed above, duplication occurred with other parties. The Commission has removed 25% of the hours claimed related to TR1/LCR, 10% of the hours claimed for TR3, and 25% of the hours claimed in T4.</p>

<p>II(C), Comment #1.</p> <p><b>LivPilot – 151.25 hours – 14% of total</b></p> <p>Work relating to the Living Pilot Symposium described in Section II(C), Comment #2.</p> <p><b>TR1/LCR – 85.7 hours – 8% of total</b></p> <p>Work in Track 1 on Local Capacity Requirements including overall need determinations and any related procurement authorizations.</p> <p><b>TR1/CAM – 58.45 hours – 5% of total</b></p> <p>Work in Track 1 on the issues related to the Cost Allocation Mechanism including a determination that all authorized Track 1 procurement would be subject to this treatment.</p> <p><b>TR1/EE – 14.65 hours – 1% of total</b></p> <p>Work in Track 1 on the treatment of planning assumptions related to energy efficiency and demand response in the establishment of new local resource needs.</p> <p><b>TR1/PROC – 29.55 hours – 3% of total</b></p> <p>Work in Track 1 on procurement processes including the need to submit executed contracts via application, ensuring that any preferred resources meets the technical requirements needed to satisfy LCR need, the establishment of a “circuit breaker” for energy storage procurement, and the appropriate use of cost-of-service contracts.</p> <p><b>TR1/MISC – 8.4 hours – 1% of total</b></p> <p>Work in Track 1 on other miscellaneous issues including SCE’s proposal to seek adjustments to its capital structure based on debt equivalence impacts tied to new procurement.</p> <p><b>TR2 – 35.25 hours – 3% of total</b></p> <p>Work in Track 2 related to standardized planning assumptions and scenarios including assumptions related to imports and the treatment of energy efficiency and demand response resources.</p> <p><b>TR3 – 67 hours – 6% of total</b></p> <p>Work in Track 3 on long-term procurement planning rules including minimum/maximum procurement levels, public access to utility data, and the eligibility of upgraded and repowered plants to bid into long-term RFOs for new generating capacity.</p> <p><b>TR3/AFR – 4.75 hours – &lt;1% of total</b></p> <p>Work responding to the Sierra Club Application for rehearing of Decision 14-02-040.</p> <p><b>TR4/LCR – 179.4 hours – 16% of total</b></p>	
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<p>Work in Track 4 on Local Capacity Requirements including overall need determinations, the relevance of the N-1-1 contingency, and procurement authorizations.</p> <p><b>TR4/CAM – 74.75 hours – 7% of total</b></p> <p>Work in Track 4 on the application of the Cost Allocation Mechanism (CAM) to new local resource procurement and proposed changes to the CAM methodology.</p> <p><b>TR4/MISC – 44.85 hours – 4% of total</b></p> <p>Work in Track 4 not related to specific issues but necessary for effective participation including the review of filings submitted by other parties, responses to motions, internal coordination activities, preparation for prehearing conferences, and review of Commission rulings and proposed decisions.</p> <p><b>COMP – 25.75 hours – 2% of total</b></p> <p>Work preparing TURN’s notice of intent to claim compensation the final request for compensation.</p> <p><b>Multi-issue allocators</b></p> <p>For hours coded “TR4”, TURN allocates 60% to TR4/LCR, 25% to TR4/CAM, and 15% to TR4/MISC</p> <p>For hours coded “TR1”, TURN allocates 30% to TR1/LCR, 30% to TR1/CAM, 10% to TR1/EE, 20% to TR1/PROC and 10% to TR1/MISC.</p> <p>TURN submits that under the circumstances this information should suffice to address the allocation requirement under the Commission’s rules. Should the Commission wish to see additional or different information on this point, TURN requests that the Commission so inform TURN and provide a reasonable opportunity for TURN to supplement this showing accordingly.</p>	
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**B. Specific Claim:\***

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours [A]	Rate \$	Total \$
Matthew Freedman	2012	99.25	\$375	See Comment #1	\$37,219.00	99.25	\$370 <sup>3</sup>	\$36,722.50
Matthew	2013	62.25	\$400	See Comment	\$26,100.00	62.92	\$400 <sup>4</sup>	\$25,168.00

<sup>3</sup> See Decision (D.) 13-12-028.

Freedman				#1				
Matthew Freedman	2014	11.5	\$400	See Comment #1	\$4,600.00	10.09	\$410 [1]	\$4,136.90
Marcel Hawiger	2012	0.75	\$375	D.13-08-022	\$300.00	0.75	\$375	\$281.25
Marcel Hawiger	2013	0.75	\$400	D.14-05-015	\$300.00	0.44 [2]	\$400	\$176.00
Marcel Hawiger	2014	4.7	\$400	See Comment #2	\$1,900.00	3.1 [3]	\$410	\$1,271.00
Nina Suetake	2012	7	\$315	D.13-08-022	\$2,205.00	7	\$315	\$2,205.00
Tom Long	2013	39.25	\$555	D.14-05-015	\$21,784.00	32.44	\$555	\$18,004.20
Tom Long	2014	0.75	\$555	D.14-05-015	\$416.00	0.75	\$570 [5]	\$427.50
Hayley Goodson	2012	5.5	\$325	D.13-08-022	\$1,788.00	5.5	\$325	\$1,787.50
Kevin Woodruff	2012	217	\$240	D.12-11-050	\$52,080.00	202.93 [6]	\$240	\$48,703.20
Kevin Woodruff	2013	393.25	\$240	D.12-11-050	\$94,380.00	329.38 [6]	\$240	\$79,051.20
Kevin Woodruff	2014	76.75	\$240	D.12-11-050	\$18,420.00	59.61 [7]	\$245 [8]	\$14,604.45
Cynthia Mitchell	2013	144.25	\$200	See Comment #3	\$28,850.00	144.25	\$200	\$28,850.00
William Marcus	2012	0.75	\$260	D.13-08-022	\$195.00	0.75	\$260	\$195.00
Subtotal: \$290,518.00						Subtotal: \$261,583.70		
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate	Total \$
Matthew Freedman	2012	0.75	\$187.50	@50% of 2012 rate (See Comment #1)	\$141.00	0.75	\$185	\$138.75
Matthew Freedman	2014	25	\$200	@50% of 2014 rate	\$5,000.00	25	\$205	\$5,125.00
Subtotal: \$5,141.00						Subtotal: \$5,263.75		
COSTS								
#	Item	Detail			Amount	Amount		
	Consultant Travel	Travel for Cynthia Mitchell (Reno to SF) for Living Pilot Symposium, Travel for Kevin Woodruff from Sacramento to Los Angeles.			\$688.80	\$688.80		
	Consultant	Lodging for Cynthia Mitchell for Living Pilot Symposium. Lodging for Kevin Woodruff in			1,214.11	\$1,190.95 [9]		

<sup>4</sup> See Decision (D.) 14-11-019.

	Lodging	Los Angeles to attend CPUC workshop, Lodging for Kevin Woodruff during Track 1 evidentiary hearings. See Comment #4		
	Copies	Copies for evidentiary hearings and pleadings	\$346.87	\$346.87
	Postage	Costs of mailing copies of pleadings and testimony	\$65.38	\$65.38
<b>Subtotal: \$2,292.00</b>			<b>Subtotal: \$2,292.00</b>	
<b>TOTAL REQUEST: \$297,973.29</b>			<b>TOTAL AWARD: \$269,129.45</b>	

**\*\*We remind all intervenors that Commission staff may audit their records related to the award and that intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. Intervenor's records should identify specific issues for which it seeks compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants and any other costs for which compensation was claimed. The records pertaining to an award of compensation shall be retained for at least three years from the date of the final decision making the award.**

**\*\*Travel and Reasonable Claim preparation time typically compensated at ½ of preparer's normal hourly rate**

<b>ATTORNEY INFORMATION</b>			
<b>Attorney</b>	<b>Date Admitted to CA BAR<sup>5</sup></b>	<b>Member Number</b>	<b>Actions Affecting Eligibility (Yes/No?) If "Yes", attach explanation</b>
Matthew Freedman	March 29, 2001	214812	No
Hayley Goodson	December 5, 2003	228535	No
Marcel Hawiger	January 23, 1998	194244	No
Tom Long	December 11, 1986	124776	No
Nina Suetake	December 12, 2004	234769	No

### C. Attachments Documenting Specific Claim and Comments on Part III:

<b>Comment #</b>	<b>Intervenor's Comment(s)</b>
Comment 1	<p><b>2012 Hourly Rate for Matthew Freedman</b></p> <p>For Mr. Freedman's work in 2012, TURN seeks an hourly rate of \$375, an increase of 7.2% from the previously awarded rate of \$350 for 2011. This increase is consistent with the general 2.2% cost-of-living increase provided for in Res. ALJ-281, plus the first of two 5% step increases available with his move to the 13+ years experience tier.</p> <p>TURN previously received a rate of between \$350 and \$360 for Mr. Freedman's 2012 hours. The Commission awarded \$350 in D.12-07-019, \$358 in D.13-09-020, and \$360 in</p>

<sup>5</sup> This information may be obtained through the State Bar of California's website at <http://members.calbar.ca.gov/fal/MemberSearch/QuickSearch>.

	<p>D.13-02-032 and D.13-05-008. TURN currently has three pending requests for compensation that include 2012 hours for Mr. Freedman at either the 2011 rate (in A.10-11-002) or at the \$375 rate (in A.11-06-007, filed June 3, 2013 and A.11-10-002, filed March 24, 2014). TURN is not seeking to change the hourly rate for Mr. Freedman's work in 2012 for any of the pending or awarded requests that include his 2012 work.</p> <p>However, TURN is seeking a \$375 rate for 2012 work in A.11-06-007, in A.11-10-002, in this proceeding, and in all future compensation requests that include 2012 hours for Mr. Freedman, consistent with the Commission's prior decisions and resolutions providing for step increases.</p> <p><b>2013 Hourly Rate for Matthew Freedman</b></p> <p>For Mr. Freedman's work in 2013, TURN seeks an hourly rate of \$400, an increase of 7.2% from TURN's requested rate of \$375 for 2012. This increase is consistent with the general 2% cost-of-living increase provided for in Res. ALJ-287, plus the second of two 5% step increases available with his move to the 13+ years experience tier.</p> <p><b>2014 Hourly Rate for Matthew Freedman</b></p> <p>For Mr. Freedman's work in 2014, TURN seeks the same hourly rate as for his work in 2013. At the time of the submission of this request for compensation, the Commission had not adopted a general COLA for 2014. When the Commission adopts a COLA for 2014, TURN would request that Mr. Freedman's hourly rate for 2014 be adjusted accordingly.</p>
Comment 2	<p><b>2013 Hourly Rate for Marcel Hawiger</b></p> <p>The Commission has adopted an hourly rate of \$375 for Mr. Hawiger for 2012, in D.13-08-022 and an hourly rate of \$400 in D.14-05-015 (Sempra 2012 GRC). For Mr. Hawiger's work in 2014, TURN seeks the same hourly rate as for his work in 2013. At the time of the submission of this request for compensation, the Commission had not adopted a general COLA for 2014. When the Commission adopts a COLA for 2014, TURN would request that Mr. Hawiger's hourly rate for 2014 be adjusted accordingly.</p>
Comment 3	<p><b>2013 Hourly rate for Cynthia Mitchell</b></p> <p>TURN seeks an hourly rate of \$200 for Ms. Mitchell's work in 2013. The Commission last approved a rate of \$180 for her work during 2009 in D.11-06-012 (in A.08-07-021). Ms. Mitchell increased her actual billing rate for 2013 to \$200, and TURN requests that the Commission authorize \$200 as the reasonable billing rate for Ms. Mitchell in this proceeding based on her extensive experience and the criteria adopted by the Commission for setting appropriate market rates for expert witnesses. TURN has also requested a \$200 rate for 2013 work by Ms. Mitchell in a pending request in R.12-01-005 (filed November 12, 2013).</p> <p>Ms. Mitchell's prior 2011 billing rate of \$180 was based on her experience as an expert in utility demand-side management activities. Ms. Mitchell has worked for over 35 years in the energy and utility industry. She has held positions in government and consulting. Ms. Mitchell was the energy specialist for Utah Community Action Association on utility rate issues for seniors and low income, and the chief economist for the Nevada Attorney General's Bureau of Consumer Protection. As a consultant Ms. Mitchell has served as the expert witness to state public utility commissions and consumer advocate offices in twelve states and the District of Columbia. Ms. Mitchell's experience includes analysis on traditional utility rate making and regulatory matters with emphasis on cost allocation and rate design; integrated resource planning (IRP), and demand-side management activities. She has consulted for NASUCA and the DOE on integrated resource planning practices.</p> <p>It is reasonable to authorize a rate of \$200 for Ms. Mitchell services for 2013. Ms. Mitchell has</p>

	<p>not increased her billing rate of \$180 since 2009. If her rate were simply escalated based on the COLA adjustments for 2012 and 2013 authorized in Resolutions ALJ-281 and ALJ-287, her 2013 rate should be \$187 (<math>180 \times 1.022 \times 1.02</math>), which results in a rate of \$190 when rounded up. TURN also requests that the Commission authorize a 5% step increase for Ms. Mitchell, as allowed under both Resolution ALJ-281 and 287, which would then result in an hourly rate of \$199.50 (<math>190 \times 1.05</math>), or \$200 when rounded. TURN has not requested a 5% step increase previously for Ms. Mitchell. The same rate would result if TURN had requested a 5% step in 2012 (<math>180 \times 1.022 \times 1.05 \times 1.02 = 197</math>).</p> <p>Ms. Mitchell has consistently maintained her billing rate for non-profits such as TURN near the lowest endpoint of the range of rates for experts with over 13 years of experience. For example, Table 1 of Res. ALJ-281 shows that the lowest billing rate for an expert with 13+ years of experience is \$155, while the highest rates are at about \$390. Based on her experience of more than 30 years, Ms. Mitchell's billing rate should be closer to the upper end of the range; however, Ms. Mitchell has consistently maintained her rates at an affordable level. The Commission should, however, recognize that Ms. Mitchell's services justify a rate of \$200 based on the factors considered in setting expert hourly rates.</p>
Comment 4	<p><b>Travel and Lodging Expenses</b></p> <p>TURN seeks compensation for three instances of travel and lodging by Kevin Woodruff and Cynthia Mitchell:</p> <p>(1) Ms. Mitchell traveled from Reno, NV (where she lives and works) to San Francisco to prepare for, and attend, the November 6 CPUC Living Pilot Symposium.</p> <p>(2) Mr. Woodruff traveled from Sacramento to Los Angeles to participate as a panelist in a Joint CPUC/CEC workshop on July 15, 2013 (<a href="http://www.energy.ca.gov/2013_energypolicy/documents/2013-07-15_workshop/2013-07-15_Agenda.pdf">http://www.energy.ca.gov/2013_energypolicy/documents/2013-07-15_workshop/2013-07-15_Agenda.pdf</a>).</p> <p>(3) Mr. Woodruff required lodging in San Francisco during the Track 1 evidentiary hearings. In order to prepare for cross-examination, review transcripts and be available for hearings each day, it was necessary to have Mr. Woodruff stay in San Francisco. Had Mr. Woodruff not remained in San Francisco, it would not have been possible for TURN to be as effective during the Track 1 hearings due to the amount of additional time consumed for daily travel by Mr. Woodruff.</p> <p>Although TURN consultants engaged in significant amounts of necessary travel (over 40 hours) to participate effectively in this proceeding, TURN is not claiming compensation for any travel time (apart from (1) and (2) discussed above) consistent with guidance provided by the Commission.</p>

#### D. CPUC Disallowances and Adjustments:

Item	Reason
[A]	<p>Duplication occurred when preparing work on the following issues: TR1/LCR; TR3; and T4. As such, the Commission disallows 25% of the hours for TR1/LCR, 10% of the hours for TR3, and 25% of the hours for T4. These disallowances result in the following time reductions: 14.07 hours from Woodruff's 2012 claim; 44.37 hours from Woodruff's 2013 claim; 11.14 hours from Woodruff's 2014 claim; 2.33 hour from Freedman's 2013 claim; 1.21 hours from Freedman's 2014 claim; 0.063 hour from Hawiger's 2013 claim; 0.40</p>



	hour from Hawiger's 2014 claim; and 6.81 hours from Long's 2013 claims.
[1]	The Commission applied the 2.58% cost-of-living adjustment adopted in Resolution ALJ-303 to Freedman's 2013 rate. After rounding, this produced a rate of \$410, which the Commission now adopts.
[2]	The commission disallows 0.25 hour from Hawiger's claim for skimming a document. Such work did not contribute to the Commission's decision-making procession.
[3]	The Commission disallows 1.25 hours from Hawiger's claim for skimming and finalizing documents. Finalizing documents is clerical in nature and is not compensable as such work has been factored into the existing hourly rate. Skimming documents does not contribute to the Commission's decision-making process.
[4]	The Commission disallows 5 hours from Woodruff's 2013 claim for excessive hours claimed preparing the Track 4 opening brief. The Commission disallows 14.5 hours from Woodruff's 2013 claim for work related to conference calls with CAISO.
[5]	The Commission disallows 6 hours from Woodruff's 2014 claim for excessive hours claimed preparing the reply comments to the Track 3 proposed decision.
[6]	The Commission applied the 2.58% cost-of-living adjustment adopted in Resolution ALJ-303 to Hawiger's 2013 rate. After rounding, this produced a rate of \$410, which the Commission now adopts.
[7]	The Commission applied the 2.58% cost-of-living adjustment adopted in Resolution ALJ-303 to Long's 2013 rate. After rounding, this produced a rate of \$570, which the Commission now adopts.
[8]	The Commission applied the 2.58% cost-of-living adjustment adopted in Resolution ALJ-303 to Woodruff's 2013 rate. After rounding, this produced a rate of \$245, which the Commission now adopts.
[9]	The Commission disallows the room charges for meals, as the Commission does not compensate for dining expenses.

#### PART IV: OPPOSITIONS AND COMMENTS

A. Opposition: Did any party oppose the Claim?	No
B. Comment Period: Was the 30-day comment period waived ( <i>see</i> Rule 14.6(c)(6))?	Yes

**FINDINGS OF FACT**

1. The Utility Reform Network has made a substantial contribution to Decision (D. 12-12-020, D.13-02-015, D.14-02-040, D.14-03-004.
2. The requested hourly rates for The Utility Reform Network's representatives, as adjusted herein, are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The claimed costs and expenses, as adjusted herein, are reasonable and commensurate with the work performed.
4. The total of reasonable compensation is \$269,139.45.

**CONCLUSION OF LAW**

1. The Claim, with any adjustment set forth above, satisfies all requirements of Pub. Util. Code §§ 1801-1812.

**ORDER**

1. The Utility Reform Network is awarded \$269,139.45.
2. Within 30 days of the effective date of this decision, Pacific Gas and Electric Company, San Diego Gas & Electric, and Southern California Edison Company shall pay The Utility Reform Network their respective shares of the award, based on their California-jurisdictional electric revenues for the 2013 calendar year, to reflect the year in which the proceeding was primarily litigated. Payment of the award shall include compound interest at the rate earned on prime, three-month non-financial commercial paper as reported in Federal Reserve Statistical Release H.15, beginning July 16, 2014, the 75th day after the filing The Utility Reform Network's request, and continuing until full payment is made.
3. The comment period for today's decision is waived.
4. This decision is effective today.

Dated \_\_\_\_\_, at San Francisco, California.

**APPENDIX**  
**Compensation Decision Summary Information**

<b>Compensation Decision:</b>		<b>Modifies Decision?</b>	No
<b>Contribution Decision(s):</b>	D1212010, D1302015, D1402040, D1403004		
<b>Proceeding(s):</b>	R.12-03-014		
<b>Author:</b>	ALJ Gamson		
<b>Payer(s):</b>	Pacific Gas and Electric Company, San Diego Gas & Electric, and Southern California Edison Company		

**Intervenor Information**

<b>Intervenor</b>	<b>Claim Date</b>	<b>Amount Requested</b>	<b>Amount Awarded</b>	<b>Multiplier?</b>	<b>Reason for Change/ Disallowance</b>
The Utility Reform Network	05/13/14	\$297,973.29	269,139.45	N/A	See Comment(s).

**Advocate Information**

<b>First Name</b>	<b>Last Name</b>	<b>Type</b>	<b>Intervenor</b>	<b>Hourly Fee Requested</b>	<b>Year Hourly Fee Requested</b>	<b>Hourly Fee Adopted</b>
Cynthia	Mitchell	Expert	The Utility Reform Network	\$200	2013	\$200.00
Hayley	Goodson	Attorney	The Utility Reform Network	\$325	2012	\$325.00
Kevin	Woodruff	Expert	The Utility Reform Network	\$240	2012	\$240.00
Kevin	Woodruff	Expert	The Utility Reform Network	\$240	2013	\$240.00
Kevin	Woodruff	Expert	The Utility Reform Network	\$240	2014	\$245.00
Marcel	Hawiger	Attorney	The Utility Reform Network	\$375	2012	\$375.00
Marcel	Hawiger	Attorney	The Utility Reform Network	\$400	2013	\$400.00
Marcel	Hawiger	Attorney	The Utility Reform Network	\$400	2014	\$410.00
Matthew	Freedman	Attorney	The Utility Reform Network	\$375	2012	\$370.00
Matthew	Freedman	Attorney	The Utility Reform Network	\$400	2013	\$400.00
Matthew	Freedman	Attorney	The Utility Reform Network	\$400	2014	\$410.00
Nina	Suetake	Attorney	The Utility Reform Network	\$315	2012	\$315.00
Thomas	Long	Attorney	The Utility Reform Network	\$555	2013	\$555.00
Thomas	Long	Attorney	The Utility Reform Network	\$555	2014	\$570.00
William	Marcus	Expert	The Utility Reform Network	\$260	2012	\$260.00

**(END OF APPENDIX)**